

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

IN RE QIAO XING SECURITIES LITIGATION This Document Relates to: All Actions	MASTER FILE 07-CIV-7097 (DLC) ECF Case
--	---

**NOTICE OF MOTION AND MOTION FOR
PRELIMINARY APPROVAL OF SETTLEMENT**

PLEASE TAKE NOTICE that PELO, a.s., court-appointed lead plaintiff (“Plaintiff”) in the above-captioned consolidated securities fraud class action (the “Action”), moves this Court for entry of an order preliminarily approving the settlement of the Action (“Settlement”), certifying the class for settlement purposes and providing for notice to the settlement class. Plaintiff makes this motion based on the Stipulation of Settlement, dated February 25, 2008 submitted herewith (“Stipulation”), the exhibits attached to the Stipulation, and the Memorandum of Law in Support of Preliminary Approval of Settlement and Declaration of Gregory B. Linkh submitted herewith. In support of this motion, Plaintiff states as follows:

1. The Stipulation, along with the exhibits thereto, embodies the terms and conditions of the Settlement. The Stipulation of Settlement provides for, among other things, payment to the class by Defendants of \$2.4 million. If granted final approval by the Court, the Settlement will result in the complete resolution of this Action.
2. Attached as Exhibit A to the Stipulation is a draft Preliminary Order For Notice And Hearing In Connection With Settlement Proceedings, which provides for,

among other things, (a) certification of a class for settlement purposes; (b) the mailing of the proposed Notice of Pendency and Proposed Settlement of Class Action (“Notice”); (c) the publication of the proposed Summary Notice of Pendency of and Proposed Settlement of Class Action Involving Qiao Xing Universal Telephone Inc.; (d) approval of the proposed form of the Proof of Claim and Release; (e) establishing deadlines for class members to opt out or object to the Settlement; and (f) scheduling a hearing to determine (i) whether the proposed Settlement on the terms and conditions provided for in the Stipulation is fair, just, reasonable and adequate; (ii) whether the Final Approval Order and Judgment as provided in Exhibit E to the Stipulation should be entered; (iii) whether the Plan of Allocation presented in the Notice should be approved; and (iv) whether the application for fees and reimbursement of expenses by Plaintiffs' Counsel should be approved.

3. Defendants Qiao Xing Universal Telephone, Inc., Rui Lin Wu, Albert Leung, Zhi Yang Wu, Sonny Kwok Wing Hung, Ze Yun Mu, Yi Hong Zhang, and Grobstein, Horwath & Company LLP consent to this motion.

Dated: New York, New York
February 25, 2007

Respectfully submitted,

MURRAY, FRANK & SAILER LLP

/s/

Brian P. Murray (bmurray@murrayfrank.com)

Gregory B. Linkh(glinkh@murrayfrank.com)

275 Madison Avenue, Suite 801

New York, New York 10016

Telephone: (212) 682-1818

Facsimile: (212) 682-1892

**Lead Counsel for Lead Plaintiff
and the Putative Class**

DECLARATION OF SERVICE

I am an attorney admitted to practice in this district. I hereby certify, under penalty of perjury, that on this 25th day of February, 2008, I caused a true and correct copy of the foregoing document to be served on the persons listed below by causing a true copy thereof to be delivered by both e-mail and hand overnight mail:

Jack C. Auspitz (jauspitz@mofo.com)
MORRISON & FOERSTER, LLP
1290 Avenue of the Americas
New York, New York 10104-0050
Telephone: (212) 468-8000
Facsimile: (212) 468-7900

**Counsel for Qiao Xing and the
Individual Defendants**

Lawrence Steckman
(lsteckman@lskdnylaw.com)
LESTER SCHWAB KATZ
& DWYER, LLP
120 Broadway
New York, New York 10271
Telephone: (212) 964-6611
Facsimile: (212) 267-5916

**Counsel for Grobstein, Horwath &
Company LLP**

/s/
Gregory B. Linkh (glinkh@murrayfrank.com)